

INITIAL DECISION RELEASE NO. 356
ADMINISTRATIVE PROCEEDING
FILE NO. 3-13004

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C.

In the Matter of	:	
	:	
DOUGLAS G. FREDERICK	:	INITIAL DECISION
	:	September 9, 2008
	:	

APPEARANCES: Donald W. Searles and Roberto A. Tercero for the Division of Enforcement, Securities and Exchange Commission

Daniel G. Viola and Dennis R. Hirsch for Respondent Douglas G. Frederick

BEFORE: Brenda P. Murray, Chief Administrative Law Judge

BACKGROUND

The U.S. Securities and Exchange Commission (Commission) instituted this proceeding by an Order Instituting Proceedings (OIP) on April 8, 2008. Douglas G. Frederick (Frederick) filed an Answer on May 12, 2008.¹ The OIP alleges that Frederick was permanently enjoined from violations of the antifraud provisions of the securities statutes on March 17, 2008, as the result of an order entered by consent. See SEC v. Tuco Trading, LLC, Civil Action No. 08 CV 00400 DMS (BLM) (S.D. Cal. Mar. 17, 2008).

At a prehearing conference on May 15, 2008, and in an Order issued on May 19, 2008, I permitted the Division of Enforcement (Division) and Frederick to file separate motions for summary disposition pursuant to 17 C.F.R. § 201.250.² The Division filed a Motion for Summary Disposition, a Memorandum of Points and Authorities in Support of its Motion for

¹ I granted a joint motion that extended the time for Frederick to file his Answer.

² Rule 250(a) of the Commission's Rules of Practice provides that, after a respondent's answer has been filed and documents have been made available to that respondent for inspection and copying, a party may make a motion for summary disposition of any and all allegations of the OIP with respect to the respondent. The Division and the respondent had agreed on an exchange of documents. (Prehearing Conference Transcript at 20.)

